

Tax Transparency and Informed Public Dialogue in Tax Policies
A civil society perspective on taxes: Scoping study
Global Initiative for Fiscal Transparency & International Budget Partnership

Juan Pablo Guerrero, September 20th 2020

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Introduction

The World Bank Group (WBG) has launched an innovative project on tax compliance, within the context of development debates now focusing on the strengthening of tax systems. The objective of the Global Tax Program's ([GTP](#)) Guidance for [Innovations](#) in Tax Compliance is to influence the design of the WBG's tax operations by consolidating evidence and identifying the frontier on how to improve tax compliance in developing economies. More specifically, the goal is to develop a multidimensional approach to improving tax compliance that engages citizens, and progressively builds trust, reciprocity and support for tax compliance. The WBG project incorporates the concept of "fiscal contract" in tax system reform, where revenue raising takes place and is justified by efficient and effective spending, coupled with increasing accountability. As such, the Innovations in Tax Compliance project seeks to develop an integrated framework, including by placing a greater emphasis on building trust and tax morale among taxpayers; the political challenges of reform; efforts to better tailor reforms to local contexts and needs; and on empowering taxpayers in order to strengthen the links between revenue and public benefits.

The potential links between taxation, trust, tax morale and taxpayer empowerment, are based on the assumption that citizens, when forced to pay taxes, are more likely to take ownership of government revenues, and demand benefits in return. In parallel, the approach assumes that governments, in need of tax revenues, will be more likely to make concessions to those taxpayers in order to encourage quasi-voluntary tax compliance. The idea of fiscal contracts argues that augmenting domestic revenue mobilization will not only provide sustainable financing for development, but will also contribute to the expansion of "tax bargaining" between states and their citizens – resulting in more responsive and accountable states. The issues of revenue transparency and citizen engagement then become crucial. Evidence [shows](#) that augmenting trust in tax systems requires investment in expanding transparency and taxpayer engagement, as much as it does on strong links between revenue, expenditure projects and services.

With the support of the World Bank [GTP](#), the Global Initiative for Fiscal Transparency's Coordination Team, in collaboration with the International Budget Partnership's Tax Equity [Initiative](#), undertook research to further determine the information and tools that civil society organizations (CSOs) typically need to be able to engage in constructive dialogues with governments at the national sphere, on tax reform and administration. The questions the research seeks to address include firstly what conditions are necessary to promote strong civil society engagement on tax policy and administration; and secondly how civil society can be equipped with the tools and information necessary for the public to be able to engage in domestic tax debates and tax reform processes. The objective of this research is to extract a set of lessons on the conditions, settings, processes and methods required to promote strong civil society engagement, to ensure that constructive

dialogues can take place between governments, CSOs, academia and other relevant stakeholders on comprehensive tax reform and accountable tax administration.

The GIFT network has also produced a [compendium](#) on tax transparency called “Making Tax Work: A Framework for Enhancing Tax Transparency”, authored by Richard Murphy and Andrew Baker. This compendium details a range of issues surrounding tax reporting and information standards, and examines the systematic appraisals of tax systems required to enhance and enable tax transparency. It has assisted the network in calling for a comprehensive discussion on the matter and in producing draft global transparency principles on tax policy and administration that will serve as an input into the global discussion on the minimum standards required. The [objective](#) is to guide governments in their efforts to disclose information on the revenue side of the fiscal equation, thereby facilitating civil society’s strong participation in informed public debates on tax reform.

This paper is the first component of this effort, presenting the findings of a survey sent to approximately 50 organizations, with follow-up in-depth conversations having taken place with 19 CSOs.

Working on tax issues: A CSO perspective

It is generally accepted that tax and revenue transparency should be increased. As described above, a fiscal contract should include information about contributions that people make to public agencies. A number of GIFT network civil society stewards and partners have pointed to insufficient information on tax policies and administration in their countries. These network members have identified information on tax incidence, tax expenditures and tax compliance as being critical pieces of information that are frequently lacking.

In order to increase tax and revenue transparency, countries need to provide timely, accessible and useful data on tax assumptions and objectives; tax collections including on the amount of revenue raised from each tax source; tax policy decisions and administrative practices. More precisely, as defined by Murphy and Baker, tax transparency is the process that supplies the quantitative and qualitative data that a society needs to ensure that its tax system is working for the benefit of its tax authority, government, legislators, those who elected them, those who pay taxes and all other stakeholders of its tax system. This broad definition suggests that a comprehensive all-encompassing approach to revenue transparency is required. As such in their compendium, Murphy and Baker identify a series of reporting mechanisms and data standards that should be implemented to make tax systems more transparent to a range of stakeholders. According to [Prichard](#) et al., where taxpayers understand the taxes that they pay, why they pay them and how revenues are used, they are more likely to feel motivated to make demands on government, and to make those demands successfully. Civil society can play a critical role in this regard, both by expanding public awareness of taxation, and by playing a facilitating role in organizing and strengthening demands for reciprocity.

Civil society engagement in tax reform has recently been analyzed by Sharp, Sweet and Rocha of the Overseas Development Institute in a research [project](#) aimed at providing a descriptive first study on the role of civil society in the tax domain. Their findings emanating from case studies and a literature review provide some fruitful insights into this nascent area of research and policy engagement. Our research forms part of this conversation and particularly addresses some of the areas identified as deserving more attention, including the need to explore potential opportunities to support domestic revenue mobilization efforts; issues in which civil society can engage more

substantively; the space, interest and opportunity for civil society to engage more fully in awareness-raising efforts; as well as the main constraints CSOs face in engaging in tax work.

In this paper, the typical experiences of CSOs on revenue and tax transparency are described, together with the conditions underlying their engagements on tax policy and administration, reform advocacy and dialogue. We also work to identify, from a comparative perspective, the main information gaps that CSOs face and the basic information required for them to be able to engage in an informed debate on tax reform and administration accountability. This scoping study reflects the experience of more than 30 CSOs that have worked on tax issues in their respective countries, exploring the specific limitations that governments may be facing in publishing revenue and tax information, and describing the context in which civil society advocacy work has been feasible, viable and impactful from an independent civil society standpoint, with an emphasis on constructive dialogues taking place with the government.

In collaboration with the IBP, information was collected for 166 CSOs, after which a survey, on access to information on domestic and international taxation issues, was sent to 49 CSOs that work on tax issues around the world (list of these organizations available [here](#)). Subsequently in-depth interviews were conducted with 19 of these organizations (the findings and summary of the in-depth interviews conducted is [here](#)). The in-depth interviews included questions on the conditions required for constructive dialogues on tax reform to take place and for CSOs to build tax reform coalitions. The methodology for the study is described in a box at the end of this paper.

This working paper is organized into 4 parts, focusing on:

1. CSO tax focal areas and their motivation for working and engaging on tax issues.
2. The main constraints that CSOs face in doing this work.
3. Tax transparency issues from a civil society perspective.
4. The conditions that typically underlie CSOs engaging in dialogue with government authorities on tax policies, including tax reforms.

Paolo de Renzio (IBP) explains that the dialogue between CSO and governments is still incipient on fiscal and tax policies: “tax policy decisions are still seen as the almost exclusive purview of governments, who often make them under intense lobbying by the business sector, with limited input by citizens, and, in particular, by those living in poverty and other marginalized groups.” The IBP has identified in a budget [brief](#) the most important policy areas for civil society to work on if it wants to promote more equitable taxation, alongside some entry points through which international cooperation and international civil society organizations, such as the IBP itself, can support civil society groups in developing countries to engage with, and influence domestic tax reforms. One of these areas pertains to the need to improve the openness of tax systems across countries, including in respect of transparency and access to adequate levels of information on taxation, tax policy and tax reforms; as well as in respect of opportunities for participation and engagement on tax policy at the country level. This paper also seeks to delve into these challenges.

1. CSO tax focal areas and the theory of change for working on tax issues

In the survey sent to CSOs, they were asked why tax was chosen as a major focus of work for their specific organization, and how they try to affect change in tax policies. While the responses varied, 5 main motivations emanated from them:

- Advocacy for or against policy proposals, having in mind a fairer system;
- Domestic revenue mobilization for inclusive development (Sustainable Development Goals related work);
- Accountability concerns on the tax administration system;
- Promoting tax transparency for an informed dialogue towards a new fiscal contract; and
- International tax cooperation initiatives, raising awareness of tax rights and obligations.

The most common form of civil society advocacy tends to focus on opposing unpopular taxes. In most cases, analysis and advocacy is essentially reactive. As observed by ODI, while business associations are active in reforming taxes that affect them with the aim of reducing the tax burden, CSOs tend to focus on fairer and more progressive tax systems: “Their work in this area includes work on excise duties and international taxation, which offer the potential for collaboration between government and civil society against industry lobbyists”.

In the discussion that follows, the 5 main motivations listed above are described in more detail, together with examples. This section ends with a table that briefly identifies the CSOs with whom an in-depth interview was conducted, describing the main entry point for their tax work and also providing their website addresses where more information pertaining to their work can be obtained.

Advocating for a fairer, progressive tax system

CSOs expressed their desire to participate in informed tax reform dialogues to exert their influence on the tax systems adopted by governments, as the fiscal systems in their countries greatly affect the poor and vulnerable members of society. CSOs want to be able to mobilize their resources in order to press for tax systems that are more progressive and equitable, whilst denouncing regressive tax policies. For instance, the Instituto Centroamericano de Estudios Fiscales (ICEFI) has devoted significant resources to denouncing and opposing new tax initiatives or administrative measures that they understand, from their research evidence and advocacy work, as being regressive or adverse to a social equity agenda, to the point where they regularly end-up working on the regulatory implications of tax laws in Central American countries. Other organizations, such as the National Center for Indonesia Leadership (INISIATIF) and PRAKARSA in Indonesia, have been analyzing and advocating against components of an ambitious tax reform that they have identified as being pernicious for low income groups and vulnerable social groups.

Organizations such as the Instituto de Estudos Socio-Economicos (INESC) in Brazil, Centre for Budget and Governance Accountability (CBGA) in India, Action for Economic Reforms (AER) in the Philippines and Southern and Eastern Africa Trade Information and Negotiations Institute (SEATINI) in Uganda, to name a few, have been advocating for progressive tax reforms, as a means of reducing income inequality by redistributing income and wealth. This includes developing diverse strategies and undertaking actions to oppose and advocate against regressive taxes, owing to their greatest impact being on lower-income individuals, which are generally already vulnerable and marginalized. As the USA based Center of Budget and Policy Priorities (CBPP) says, “our mission is

to advocate for low income people and one key aspect of the tax code, refundable tax credits, are important to this group and have been a key focus for us for decades; we also do substantial work on tax policies affecting high income people as part of our effort to advocate for increased progressive revenue”. In Tanzania, Policy Forum, published a study that looked at the negative impact of the tax regime in inequality: “we want to make sure that everyone pays their fair share of tax – i.e. high income groups and multinational companies– so we designed a campaign calling for a fair tax system (TV spots, publications, etc.)”. In many cases, CSOs play a critical role in advocating on behalf of vulnerable people as they don’t have as much of a voice as wealthy people who are typically able to use their status and influence to try and keep their tax bills as low as possible.

In other cases, these reactive stands have evolved to, or coexist with, more proactive approaches that include advocacy strategies, studies and proposals on how to increase the capacity of the government to raise domestic revenue in order to be able to address development goals in a sustainable manner.

Domestic revenue mobilization for sustainable, inclusive development (Sustainable Development Goals related work)

One of the main reasons that governments raise taxes is to pay for the goods and services they are tasked with delivering, or at least to pay for a substantial portion thereof. Raising taxes comes at great costs to society and as such it is vital that taxes raised are spent in the most efficient and effective manner towards the achievement of desired societal goals. The desired outcomes differ from country to country, depending on country unique contexts and CSOs thus require the opportunity to be able to contribute to the debate regarding how revenue will be raised and equally importantly on what the revenue raised will be spent on. CSOs contribute to the debate by, among others, generating alternative sets of policies for sustainable, equitable development that leads to reduced inequality and inclusive growth. For instance, the entry point for the National Taxpayers’ Association (NTA) in Kenya for their tax work is the relationship between paying taxes and getting good public services in return: since Kenya has committed to the comprehensive provision of social economic rights in the Constitution 2010, one fundamental way to work towards this goal is through levying taxes. Their Citizens on [demand](#) project is strongly related to recommendations on raising taxes following best international standards. It includes a research program, policy advocacy, and working with the Tax Justice Network and other partners, to assist in deciding where to focus regionally, given the decentralization processes in Kenya.

PRAKARSA, in Indonesia, has linked advocacy for the implementation of universal health coverage to proposals for a more progressive tax system, more efficient tax administration, and more inclusive health policies. The SEND Foundation in Ghana also works on the question of promoting more progressive taxation while simultaneously sensitizing citizens towards tax compliance. In such cases, the [Sustainable Development Goals](#) (SDGs) are often referred to as a framework for a call to action to link the capacity of the state to raise revenue with the goals of ending poverty, protecting the planet and improving the lives and prospects of people in every corner of the world. As the finance section of SDG number 17 specifically refers to strengthening domestic resource mobilization to improve domestic capacity for tax and other revenue collection, ICEFI is linking its fiscal policy analysis in Central America to the SDG’s inclusive agenda, while the Women’s Budget Group focuses on the gender and race aspects of taxation.

Accountability concerns on the tax administration system

CSOs generally advocate for a tax system that raises revenue in an effective and efficient manner, that minimizes tax gaps and promotes accountability. Since 2012, the Civil Society Legislative Advocacy Center (CISLAC) in Nigeria has worked on domestic resource mobilization and illicit financial flows addressing the issues from different perspectives, including through the analysis of the tax administration system (2014) and the challenges related to the tax gap emanating from the informal sector, which represents a great proportion of the work force. Given that Nigeria is a federation, with strong income and regional inequalities, any serious tax reform agenda must include questions on the tax administration's performance.

CSOs require information on the tax administration system as a whole and importantly on the tax administration office itself to, among others, assess whether: the system is appropriately funded; this funding is utilized efficiently and effectively to collect taxes, including by identifying tax gaps and closing them and combatting corruption; performance objectives are known; actual performance is reported on; and in the end whether this information can all be utilized to hold revenue authorities to account for their performance. Policy Forum, in Tanzania, focuses on the capacity of revenue administration to be able to enforce tax collection, while in Bangladesh the Center for Policy Dialogue's (CPD) flagship program: the Independent Review of Bangladesh's Development (IRBD) analyzes revenue measures and fiscal policies as part of the budget process, and advocates for specific reform measures to respond to fiscal challenges, including those to improve personal income tax collections and to avoid tax dodging. As such, CSOs can provide extensive support to governments in this regard, by assessing current systems, advocating for appropriate reforms including through the provision of alternative policies and promoting societal buy-in and compliance once reforms are adopted.

Promoting tax transparency for an informed dialogue towards a new fiscal contract

Another key motivation for CSOs making tax issues a key focal area relates to the promotion of tax transparency whereby citizens can access tax information in a manner that is complete and understandable, thereby promoting the fiscal contract with government. Access to information on the revenue side of the fiscal equation is absolutely crucial for CSOs to be able to do their work independently and effectively. CSOs need timely and reliable information to conduct the studies and analysis required to support their strategies and actions advocacy. Fundamentally, in most countries, access to information about public resources is a right enshrined in laws and many cases, in the supreme law, the constitution itself. In most cases there are restrictions to tax information related to legal dispositions that exempt access to protect other rights, such as safeguards related to privacy and confidential information (i.e. commercial, privacy and intellectual secrets). It is however clear that much more information could be disclosed in an anonymized, statistical manner complying with legal exemptions whilst simultaneously providing valuable information to taxpayers and CSOs.

In Mexico, FUNDAR started its tax work as an access to information challenge, working on tax privileges and tax amnesties: "at the origin, there was a perception that too many secrecy requirements were undermining transparency and promoting lack of accountability". This work evolved into a strategic reorientation to include taxation as a key aspect of fiscal justice work, opening up both new research lines and new alliances and coalitions. Today, "fiscal justice" is one of four areas listed on their website, related to both tax and spending. In Indonesia, INSIATIF has to produce tax expenditures analysis based on broad estimates, as there is no information on tax incentives available by economic sector. At the same time, several CSOs work on financial

transparency initiatives that require country by country reporting and the exchange and coordination of information, with information meeting minimum transparency requirements.

As previously stated, the potential links between taxation, trust, tax morale and taxpayer empowerment, are based on the assumption that members of society, when forced to pay taxes, are more likely to take ownership of government revenues, and demand benefits in return. This approach equally assumes that governments, in need of tax revenues, will be more likely to make concessions to those taxpayers in order to encourage quasi-voluntary tax compliance. The idea of fiscal contracts argues that augmenting domestic revenue mobilization will not only provide sustainable financing for development, but will also contribute to the expansion of “tax bargaining” between states and their taxpayers – resulting in more responsive and accountable states. Transparent tax systems are crucial pre-requisites for the forging of contracts that are mutually beneficial to governments and members of society, potentially leading to enhanced developmental outcomes. Enhanced tax information and consequent awareness among CSOs can also lead them to generate effective coalitions and to mobilize resources, thereby enhancing the impact of advocacy strategies.

SEATINI, in Uganda, is approaching taxation from a social contract perspective, assuming from the beginning that the concept of fairness underlies the social contract. Their campaign promoted, within an access to information, transparency and accountability setting, the need for a clear framework on granting tax exemptions. In the Netherlands, the Centre for Research on Multinational Corporations (SOMO) started analyzing the impact of Dutch multinationals in developing countries, contrasting their impact to that of the Netherlands as a donor country: while Dutch tax-payers are supporting development goals in many countries around the world, some corporations may be counteracting this work especially in poorly regulated economic sectors, such as in the extractives and mining sectors. Again, their theory of change tries to tackle such contradictions, advocating for more transparency and coherence on the revenue side of the equation, to match the aid development side.

CSOs play a key role in effectively acting as intermediaries between governments and citizens, by not only advocating for tax transparency and/or testing the legitimate limits of tax transparency but also by assisting governments in achieving tax transparency goals by among others, assisting governments in identifying user needs; making information widely accessible and understandable; in conducting citizen training and capacity building; and in encouraging tax morality and consequent compliance.

International tax cooperation initiatives

CSOs often consider international practices, such as those emanating from the Tax Justice [Network](#), the Global [Alliance](#) for Tax Justice, and their multiple regional partners, to inform their advocacy work. It is also widely accepted that significant tax gaps occur due to international funding flows, a largely opaque area requiring significant attention. CSOs thus have a keen interest in international taxation arrangements and the approaches taken to drafting them, including those related to tax cooperation and the automatic exchange of tax data between countries. In addition, CSOs may partake in international initiatives that require them to undertake work in the tax arena. Some initiatives funded by donors have specific working programs focused on taxation, that CSOs commit to undertaking. Examples include the [Tax Justice Campaign](#); and the Red Latinoamericana por Justicia Económica y Social (Latindadd) that has engaged in tax work since 2010 with the Tax Justice Network and founded the *Red de Justicia Fiscal* for Latin-American and the Caribbean in

2011, that uses promotion campaigns, research and impact communication strategies (video, social media) for social mobilizations advocating for multinationals to pay a fair share of their revenues, leading to the creation of the Financial Transparency [Coalition](#) that advocates for country by country reporting, the exchange and coordination of information, and cooperative work in respect of money laundering. They also have events on international fiscal issues, and with the Inter-American Center of Tax Administrations (CIAT), and others, discussions with members of parliament and the Organisation for Economic Co-operation and Development (OECD), pertaining to issues including public registries of beneficial ownership and coordination among financial authorities.

The following table briefly identifies the CSOs interviewed in depth and describes the main entry point for their tax work.

Table 1 - CSOs interviewed by the IBP-GIFT team and main entry point for their tax work		
The Philippines	Action for Economic Reforms, the Philippines (AER) https://aer.ph/	AER's work focuses on domestic reforms, in particular comprehensive tax reforms, including a number of reforms on direct and indirect taxation and fiscal incentives. To some extent, AER works on earmarking specific revenues to certain items of spending (sin taxes to health funding). As members of international networks [International Aid Transparency Initiative (IATI), Extractive Industries Transparency Initiative (EITI) and Tax Justice Network (TJN)], AER also touches on topics such as illicit financial flows.
India	Centre for Budget and Governance Accountability, (CBGA) https://www.cbgaindia.org/about-us/the-centre/	A major reason for CBGA to work on taxes is to address fundamental questions related to fiscal governance in India. Currently, international work, including regional training, covers about 60 percent of its tax work, due to there being a more conducive enabling environment. Domestic tax work is politically more difficult to undertake.
United States	Center of Budget and Policy Priorities (CBPP) https://www.cbpp.org/	CBPP's focus is on federal and state budget policy, with the revenue side being a major part of this. Its mission is to advocate on behalf of low income people, with one key aspect of the tax code: refundable tax credits being a particular focus due to its relative importance to this group of people. CBPP also does substantial work on tax policies affecting high income people as part of efforts to advocate for increased progressive revenue.
Nigeria	Civil Society Legislative Advocacy Center (CISLAC) https://cislacnigeria.net	CISLAC started working on domestic resource mobilization and illicit financial flows in 2012. Issues are addressed from different perspectives. The first substantial report was published on 2014 analyzing the tax administration system.
Bangladesh	Center for Policy Dialogue (CPD) https://cpd.org.bd/	The Independent Review on Bangladesh Development is the CPD's flagship program and includes regular monitoring of macroeconomic issues, including taxation and revenue issues. Budget financing, including through revenue and debt, forms a key part of this work. In addition, there are also more specific studies on taxation issues including on personal income tax and value added tax, for example; and on spending issues.

Mexico	FUNDAR, Center for Analysis and Research https://fundar.org.mx/	FUNDAR began looking at tax issues around 2010 focusing on “fiscal privileges”, including tax amnesties, from both a transparency and an accountability perspective. In 2015, there was a strategic reorientation to include taxation as a key aspect of fiscal justice work, opening up both new research lines and new alliances and coalitions.
Ecuador	Grupo Faro https://grupofaro.org/	Grupo Faro worked for many years on public spending linked to oil royalties and revenues (“Lupa Fiscal”). Since 2018, it started working on tax directly with IBP’s LATERAL project. It has now set up a policy analysis unit that aims to engage more on tax analysis.
Central America	Central American Institute for Fiscal Studies/Instituto Centroamericano de Estudios Fiscales (ICEFI) www.icefi.org	For ICEFI, spending is always related to the corresponding financing and taxation issues. The Institute’s approach to public spending and policy recommendations thus always includes analysis on what governments can do to get the additional resources required (budget trade-offs).
Brazil	Institute for Social and Economic Studies/Instituto de Estudos Socio-Economicos (INESC) https://www.inesc.org.br/	INESC advocates that fighting inequality and promoting human rights requires an examination of taxation as well as spending. Tax reform has thus constantly featured in INESC’s work.
Indonesia	National Center for Indonesia Leadership (Inisiatif) http://inisiatif.org/?lang=en	Since 2017, Inisiatif has worked on taxes/revenues in the non-extractive sectors (plantations, forestry, fisheries and agriculture). Work relates to local government (village) development, looking to strengthen the ability of local governments to generate their own revenue in order to depend less on fiscal transfers from the higher levels of government.
Latin America (Peru)	Red Latinoamericana por Justicia Económica y Social (Latindadd) https://www.latindadd.org/	Latindadd works mainly on tax justice and debt issues. It was established around 2000 as part of a global campaign, working primarily on debt issues. Since 2007/08, it started looking at fiscal justice issues after discussions with the Tax Justice Network and others, examining financing sources beyond debt, and the impact of taxation on inequality. Other areas of work include new economic models, trade agreements and the international financial architecture.
Kenya	National Taxpayers’ Association (NTA) https://www.nta.or.ke/	Related to its <i>Citizens on demand</i> project, NTA’s tax systems structure analysis promotes that government raises taxes following the best international standards. There is also a research program and policy advocacy, with the Tax and Justice Network and other partners, as part of its advocacy strategies. The NTA also does work at the county level, given the decentralization processes in Kenya.
Tanzania	Policy Forum https://www.policyforum-tz.org/	Policy Forum explores potential revenue sources and formulates policy proposals on revenue collection and expenditure allocations. Most of the work is related to international initiatives, related to double taxation agreements, illicit financial flows and the state of beneficial ownership in the extractive sector.

Indonesia	PRAKARSA, Welfare Initiative for Better Societies http://theprakarsa.org/	PRAKARSA sees tax as the major tool to redistribute income, and as such promotes progressive taxation, while denouncing regressive tax issues. The Institute examines tax incentives, tax policies and equity impacts and gets involved in regional and international tax initiatives such as the Global Alliance for Tax Justice and the Tax and Fiscal Justice Asia; and is in continuous dialogue with international financial institutions.
Uganda	Southern and Eastern Africa Trade Information and Negotiations Institute, (SEATINI) https://seatiniuganda.org/	SEATINI was one of the first CSOs in Uganda working on tax justice and revenue mobilization. Their initial work related to raising citizen awareness about taxes. The link with trade emanated from the decrease of trade revenue and the need to find alternative sources of revenue. The Institute works with the Global Alliance for Tax Justice and the Tax and Fiscal Justice at the regional and global level.
Ghana	SEND Foundation https://sendwestafrica.org/nu/gh/	SEND work on taxation started around 2013, with a project on advanced tax planning that didn't materialize due to a lack of information. SEND later in a project related to maternal health, addressed the issue of local tax collection for finance services. The initial entry point being revenue collection and service delivery. In 2018, SEND launched a two-year project with key questions on more progressive taxation and tax compliance. Micro enterprises, affected by regressive taxation, were the main target group.
Netherlands	The Centre for Research on Multinational Corporations, (SOMO) https://www.somo.nl/	SOMO exposes the aggressive tax avoidance strategies of companies, and the impacts of tax avoidance on human rights and public interests. SOMO examines international and national tax regimes that facilitate corporate tax avoidance, with special attention to the role of the Netherlands as a leading tax haven.
United Kingdom	Tax Justice UK https://www.taxjustice.uk/	Tax Justice UK is dedicated to championing a fairer, more progressive tax system in the United Kingdom. The main issue it examines is wealth tax.
United Kingdom	Women's Budget Group (WBG) https://wbg.org.uk	The WBG's primary focus is on the gender impact of the national budget and fiscal policy (and consequently on other aspects of economic and social policy). While many gender budgeting initiatives focus just on spending, the WBG focused on both sides of the budget, that is revenue as well as expenditure.

2. Main constraints for CSO work on tax policies

In their responses to the survey, 5 main constraints were identified by CSOs as hindering their work on taxes. They are as follows:

Access to information

Tax information is often not comprehensively available to CSOs thereby preventing them from analyzing it and conducting the research needed for them to be able to generate the alternative policies required to engage in informed policy debates with government. Information may be limited in terms of its scope and/or quality, thereby constraining CSO work on taxes. This is the case of Grupo Faro (Ecuador), FUNDAR (Mexico), ICEFI (Central-America), INESC (Brazil) and the CPD (Bangladesh), CSOs that rely significantly on in-depth and detailed independent research and analysis to undertake their advocacy work, and continually encounter challenges in obtaining the tax information they need in this regard.

In terms of its scope, comprehensive, complete information needs to be freely available on all respects of the tax system, including, but not limited to, on the rationale and strategy for the chosen system and its link to the national economy; the tax authority itself subject to accountability, due its nature as a public body and for its performance and results; all tax legislation; tax sources and rates; tax gaps; tax data on past, current and anticipated future performance; targeted performance outputs and outcomes; accounting policies and reports; and international tax agreements.

In addition to comprehensive, complete information being available, information must also meet other quality considerations for it to be usable by CSOs allowing them to effectively engage on the topic. In brief, information must also be made available in a timely manner; it must be accurate; comparable over time; understandable, and readily available in freely accessible formats.

Murphy and Baker explain that tax transparency is a public good that enables the working of a tax system. Tax transparency is defined in various forms: it is a dynamic process involving ongoing information collection, delivery, scrutiny and appraisal. They state that “Tax transparency is a process that enriches and enables wider deliberation on tax matters and choices. Tax transparency in this sense enables and promotes multi-stake holder dialogue on the design of and reform of tax systems. In turn this enables societies to discuss and consider collectively how to design and structure the tax systems to best meet mutual needs, cultural norms and their own specific societal and political challenges”. From this perspective, the challenges of access to tax information for civil society undermine the possibilities of generating tax reforms within the trust framework required to facilitate compliance thereafter.

Difficulties in building coalitions/movements

Traditionally civil society movements, coalitions and initiatives have only shown limited interest in the topic of taxation, making it difficult for those CSOs interested in the topic to form working coalitions with other organizations. CSOs expressed that given the complexity of the subject, taxation typically does not attract a lot of interest from public interest organizations, such that finding organizations with the right skills, showing interest in the topic is rare, thereby limiting opportunities for building movements comprised of organizations with similar aspirations. Some CSOs stated that they were able to somewhat overcome this constraint, by linking taxation to popular public spending aspirations, as by doing so they were able to generate wider interest. An example of this is provided

by the AER in the Philippines, where viewing sin taxes as a health issue rather than a revenue issue, yielded significant interest.

Technical capacity challenges

Even when tax information is comprehensively available, it may not be easily understandable, requiring a high level of skill and expertise to be able to engage with it. CSOs expressed that they often lack the capacity including the time, skills and consequent motivation to be able to engage with complex tax information in a manner that empowers them to engage effectively in tax policy debates. Taxation is a complex subject and without enhanced efforts at making information more understandable in conjunction with capacity building, participation in debates based on highly technical information remains largely limited, only within the purview of tax experts and governmental technical teams. In the words of INESC (Brazil), “it is difficult to find people, partner organizations or initiatives that combine the necessary technical skills with a strong reform political agenda. And when tax reform is at the center of any significant reform on human rights, inequality, inclusiveness and sustainable growth, the main discussion on tax reform is dominated by private accounting firms: the exercise to decipher the technician language and translate it in inputs for the mobilization is still missing”.

Adverse political environments

There is often significant political opposition to CSO-led advocacy for more progressive, equitable tax systems. Political and economic elites are likely to use their significant influence to oppose reforms that target wealthy individuals and businesses, that is reforms that target them or their allies, quickly dismissing them without much consideration and/or engagement. In such environments, CSOs often fear unjustified significant public rebukes, even more so when they lack comprehensive information and the technical skills to generate convincing arguments and/or to enter political debates. Legal environments may also mean that there aren't any real spaces for participation in the setting of reforms, that the requisite information for constructive debates is not available and that democratic debates are discouraged. Often information is unnecessarily classified as secret, with severe penalties for anyone disclosing it. Several CSOs pointed to the shrinking democratic spaces for debate in their respective countries.

Lack of funding

Lastly, CSOs identified the lack of funding as a significant constraint hampering tax work. They cited that they lacked the necessary funding to be able to obtain the requisite resources to be able to undertake the work on taxes. This area of work is typically funded by donors. Although funding is always a challenge for CSOs, a significant number of them indicated that donor funding in this area is limited to a few donors, and further that available funding for tax work had significantly decreased over the years.

3. Tax transparency from a CSO perspective

In their framework, Murphy and Baker identify the specific information needs of tax transparency users, together with criteria relating to the necessary quality aspects of this information. They explain that tax transparency is a process with multiple information maps or systems: “no single report, account, set of data, information or budget will ever, by itself, represent the totality of the tax transparency process. It is, instead, the supply of information from across the tax system that will create an effective tax transparency process so that governments and tax authorities might be held to account for their effectiveness, in managing the tax system”.

When CSOs were asked about their experiences regarding tax transparency, their answers differed widely potentially due to their different expectations and the lack of global standards guiding them in this area. From the survey, the following main experiences could however be extracted from their responses, and largely tie in with the constraints identified by CSOs, described in the preceding section:

Secrecy culture in the tax/revenue side of the fiscal equation

A culture of tax transparency is generally not adopted by governments with certain aspects of tax information being veiled in secrecy and thereby not being freely accessible to CSOs. As described in the section above, political and legal environments often don't favor the disclosure of information, with CSOs not being sufficiently empowered to aggressively confront this issue. From a governmental perspective, many governments/bureaucrats fail to see the benefit of entering into fiscal contracts with members of society and are resistant to them owing to this and/or potentially other self-serving factors; meaning that countries then don't realize the potential development benefits arising from entering into mutually beneficial fiscal contracts. At the same time, public servants feel constrained by legal provisions protecting tax secrecy and prohibiting publication related to tax administration. In fact, the generation of anonymized tax information or the provision of statistical data usually requires specific mandates and training, something that not all officials have. This typically requires a deliberate institutional policy on the proactive publication of tax information that responds to user demand, for which a specific regulation might be required. This would normally also effectively imply a significant change in institutional culture.

AER in the Philippines finds that there are legal restrictions impeding the flow of tax information on particular industries, at sector and company level. For them, the culture of transparency in government still needs to permeate into institutional practices. Even when the information is requested following the institutional channels, such as access to information regulations, it takes long to get the information.

Problems with the quality of the information

In line with one of the main constraints faced by CSOs in undertaking tax work, CSOs indicated that in their experience, where information on the tax system is provided, its quality is generally inadequate. Information is normally made available at an aggregate level, without the comprehensible disaggregated information required to be able to undertake the thorough analyses needed to meaningfully advocate for particular reforms and/or be able to participate in debates on particular tax sources. As the information does not meet the users' needs, it lacks the relevance it should have. Information is at times also only made available to select groups, possibly after the

payment of a fee, when it should be free, accessible and usable by all users. The reliability of some information is also questionable, given that information from different sources often lacks consistency and may be conflicting, and frequently lacks quality controls. Even where reliable, comprehensive information is provided, it is often very complex, largely out of the domain of CSOs that are not technical experts.

Lack of information on tax incidence and tax impact on specific sectors or groups (minorities)

In simple terms, fiscal incidence refers to the joint impact of taxes and government expenditure on the well-being of people. While taxation on individuals decreases their well-being, government expenditure increases their well-being. Different sectors/groups of people are impacted differently, depending on their particular tax burden and how the benefits of government services are distributed. CSOs agree that in order to reduce inequality and promote equity, tax burdens should fall predominately on advantaged/wealthy groups while the distribution of government services should favor vulnerable members of society. It is thus important that the tax incidence on different sectors and groups is calculated and known, together with the incidence of expenditure such that the overall fiscal incidence on certain groups is known. This information is required for CSOs to be able to understand and appropriately advocate for reforms that favor the vulnerable members of society that often do not have a voice. In the responses to the survey, CSOs pointed to the general lack of disaggregated information made available by taxpayers split into different groups/sectors such as, information in respect of minority groups and on gender, making it impossible to calculate the tax incidence and the tax impact in respect of different groups of people.

Some organizations use different sources of data (survey data, opinion surveys, right to information requests, et cetera) to calculate the implications of taxes on personal income. Bangladesh's CPD's personal income tax [study](#) was conducted using household income and expenditure survey data rather than tax data. While ICEFI is technically able to produce research on fiscal incidence, tax evasion and the performance of revenue administration systems, its main challenge relates to accessing the data required to undertake this research. While ICEFI uses information from household surveys and tax administration statistics, more disaggregated data by social category, social sector, economic sector and income group quintile, would substantially facilitate and enrich this analysis. For its analysis, tax contribution data by economic sector is only available in Guatemala, El Salvador and Costa Rica, with much less information being available in Honduras and Nicaragua. On the performance of tax agencies and tax evasion, only Guatemala regularly publishes reports; in all other cases, only specifically commissioned reports are published. In response, ICEFI calculates estimates of tax evasion based on information from the national accounts. ICEFI also puts forward information requests based on right to information legislation.

In Brazil, INESC published a [study](#) on income tax that concluded that black women were adversely affected by a regressive system. The methodology developed by INESC researchers, would have benefitted from more disaggregated data, including data by social category and sector; economic sector; and income quintiles. The National Tax Payers Association of Nigeria and the Women's Budget Group in the United Kingdom, also noted information gaps pertaining to tax data disaggregated by gender, and intersectional data where disaggregated data is grouped for different dimensions including in respect of gender, race, income et cetera. In Ecuador, Grupo Faro faces a different challenge, in that while individual and corporate information is available if searched by taxpayer tax identification number, information provided by the tax administration agency does not provide any statistical analyses, with the aggregated information made available also not being disaggregated by sector.

For most of the social organizations considered, it can be concluded that key information required to inform comprehensive tax reform discussions pertaining to the way the tax burden is distributed among economic sectors, social groups and income categories, is scarce.

Lack of information on tax gaps and performance of the tax administration service

Commonly there is also a lack of or insufficient information made available by governments on tax gaps, that is on the difference between the tax revenues that a government might be able to collect and the tax revenues it actually does collect. Various reasons explain the tax gaps (tax base exclusion, evasion, avoidance, unpaid taxes), which reveal important information on the efficiency of the tax administration authority. Tax gap analysis is also important as it provides critical insights about the success of a government in delivering on its social, economic and fiscal priorities through the tax system. It also helps to determine how tax compliance could be improved. CSOs indicated that often very scant information is made available in this regard by authorities, with assessments often only being published by third parties, if conducted at all.

According to the Center on Budget and Policy Priorities, corporate tax information particularly that of big multinational companies is missing, leading to tax base erosion and profit shifting, thereby undermining the credibility of the system. This partially explains why the tax gap according to the Government Accountability Office (2016) was almost 20 percent of the owed taxes in the United States from 2008 to 2010. The CBGA in India also finds that corporations aren't under sufficient scrutiny, with less than 2 percent of corporate tax returns actually being analyzed, with no information being made public on tax audits and there being no prosecutions for misreporting.

Questions about the accountability of the tax authority enter the discussion frequently. For AER in the Philippines, access to information on tax administration is one of its biggest challenges in this regard. CISLAC in Nigeria also finds that there is little information on audit results, that few companies are sanctioned, and no one is held accountable for discrepancies. Assessments of the tax administration are not provided by official sources, but rather emanate from independent and international analyses.

In Mexico, FUNDAR observed that although there is enough information about important aspects of tax administration, the information is often too aggregated and "hidden" in highly technical reports and datasets. The information is general and very aggregated, with quarterly information not being made public. INISIATIF also reports that there is little information on revenue administration.

Another complication emanates from taxes collected by the local sphere of government. A common challenge relates to the lack of information on local government's capacity to collect duties and taxes, which further complicates national country analyses of tax burdens and the effectiveness of the tax system.

Lack of relevant information on tax expenditures

Just as it is important to understand why and what governments are taxing, it is important to have comprehensive information regarding what governments have decided not to tax and why, that is in respect of tax exemptions, allowances and reliefs. Equally important is knowing the quantum and motivations of taxpayers that are not paying what is legally due by them, either through tax evasion, tax avoidance or merely not settling payments due. This information is required by CSOs to assess the effectiveness of the tax system, and to consequently advocate for reforms that improve its effectiveness, by reducing unfavorable tax gaps, to the benefit of society. Consequently, the general

lack of or insufficient information made available on revenue administration and the performance of revenue authorities generally leads to a lack of governmental accountability.

Tax expenditures represent the amount that the government decides to provide to promote policy objectives. Ideally, the justification for each relief, exemption and allowance should be specified to justify its continuing provision. This is however not always the case. The CBGA in India observes that foregone revenue should be publicly reported at all levels of government and form part of public expenditure reviews by parliaments and legislative assemblies; and by finance and budget authorities. Any changes in the methodology for calculating foregone revenue should be clarified and published. In Bangladesh, the CPD noted that the government announced the undertaking of a study on custom revenue foregone, but that it was never published.

Information on international tax arrangements and international corporations is generally not comprehensively known

As previously stated, it is widely accepted that significant tax gaps occur due to international funding flows, a largely opaque area requiring significant attention. Information on international tax arrangements and international corporations is however generally not comprehensively known at a sufficiently disaggregated level. CSOs require this information to do the underlying research and analyses required to inform their advocacy work on desired tax system reforms. CSOs however stated that country specific information is often not available, and when available it is normally not disaggregated sufficiently for example in respect of multinational corporations to enable them to get a clear understanding of country specific situations. Often the only sources of information available to them are from international organizations, with databases that then have not been customized to unique country contexts. PRAKARSA, SEATINI, Latindadd, and SOMO, for instance, use United Nations Conference on Trade and Development (UNCTAD) and OECD data and international references to develop their analyses.

4. Conditions for dialogue between CSO and tax authorities on policy reforms

The points of contact between tax authorities and civil society organizations are often framed by requests for information about taxes. These are frequently formulated within the formality of access to information regulations. These forms of contact often generate unsatisfactory results. On the one hand, tax authorities have serious limitations about disclosing information on taxpayers due to tax secrecy legislation; and on the other, it is often the case that tax authorities actually don't have the information in the format requested by petitioners. The authorities could of course work on the request and generate the information in statistical and anonymous formats, but nothing obliges them to do so. They would have to assign trained officials to do this, and may not have the inclination or capacity to do so. The willingness to respond positively to information requests seems to be the key factor in determining whether authorities will allocate resources to such initiatives.

It is not uncommon for tax authorities and CSOs to cooperate and work together toward the achievement of convergent goals. For instance, they can exchange information that forms the basis of independent studies that enrich the understanding of taxes, including by examining the challenges and impacts of raising taxes. Another form of cooperation involves training CSOs on fiscal issues with the aim of supporting initiatives with common objectives, such as initiatives that strengthen the culture of tax compliance and/or those that lead to discussions and eventually promote tax reforms. For this to happen, it is important that the leadership and political environment is open to this type of

collaboration creating platforms conducive to dialogue with adequate spaces for technical discussions, based on mutual trust.

CSOs commonly identified the following conditions as being key for positive engagements to take place between them and tax authorities:

Propitious political context

From the discussions above, it is clear that hostile closed political environments constrain the ability of CSOs to positively contribute to the tax reform agenda. In contrast, favorable, open political environments that are conducive to public debate, and encourage dialogue and transparency, making quality information available, facilitate the ability of CSOs to work collaboratively with governments towards developmental goals. This is greatly facilitated when governments and CSOs have the common agenda of progressive tax reforms. A number of CSOs indicated that often the availability of information depends subjectively on the current political administration's views on the role of CSOs and society in decision making.

For instance, after President Lula da Silva's election (2000) in Brazil, once the budget side was well scrutinized, INESC started working on a four year long project on the revenue side. In 2003, they organized a conference where high-level officials from the ministry of finance participated, whose concluding recommendations included the holding of public hearings on fiscal issues. However, seven year later, under current political conditions the possibilities of working with tax authorities are exiguous, even within the COVID-19 context that has generally created an impetus for more progressive tax reforms.

Access to, and the establishment of mutually beneficial relationships with public officials

Favorable political environments foster collaboration between the government and CSOs, thereby encouraging public officials to engage with and work with CSOs towards setting the tax reform agenda and the achievement of developmental goals. In order to work collaboratively with government, it is key that CSOs have access to public officials where regular engagements can take place, particularly with officials that set taxation policies and are responsible for its administration, that is officials from the revenue administration office and the ministry of finance.

The role of civil service and career officials can be an important factor favoring cooperation. When administrations have good governance and competent professionals, or at least pockets thereof, CSOs find it easier to form technical and cooperative relationships. The political leadership, however, also has a key role to play. For instance, during the Aquino Administration in the Philippines, public officials were generally more open to dialogue and cooperation. Today, some agencies however still continue providing relevant information to AER, despite transparency generally not being supported by the leadership, owing to the personal and professional connections that were built over the years that led to the establishment of good and trust based relationships. Building good relationships with tax authorities that can yield access to relevant information, based on the trust that requisite confidentiality provisions will be adhered to, is however normally a slow process of building confidence. When goals are shared, cooperation can take many forms to be mutually beneficial. For instance, it is not uncommon for public officials to convey messages in public meetings through the voice of civil society representatives. It may be that the manner in which a CSO representative expresses a view on tax reforms could not be officially used by a public servant despite them sharing the same view. As such CSO representatives can assist officials by reinforcing some arguments or raising points for discussion.

In contrast, when there is instability and the tenure of public officials is short, building relationships based on trust is harder, with government's implementation of regulations such as freedom of information and open data policies tending to be less efficient. In Indonesia for instance, the criteria for the disclosure of revenue information requires improvement. Capacity building for the implementation of new transparency regulations takes time, such that the frequent rotation of public officials impedes the establishment of stable, trustworthy, collaborative relationships with the users of information. In addition, there may also be legal challenges emanating from the private sector, as it may oppose the disclosure of information that concerns certain businesses, due to confidentiality considerations.

It follows, that higher levels of professionalism and independence within the tax authority seem to lead to better established relationships with CSOs. An administrative service that is subordinated to the domestic political agenda may undermine efforts driving a tax reform agenda based on technical and objective considerations. In SEATINI's experience, technical dialogues, even those that are highly official, with technocrats leading to progress in drafting progressive tax reforms, can be easily undermined by political interference.

Where mutually beneficial relationships are established, the provision of relevant information can facilitate independent research and studies that provide evidence on the need for certain reforms. Recently, Grupo Faro in Ecuador has been interacting directly with high-level finance officials, who have benefitted from the technical expertise and relevant findings of its research. Although this has not directly impacted tax reforms, given a complicated political environment, it has provided additional options for decision makers. In Uganda, SAETINI has built some relationships with government officials that understand some of their information needs and have responded by providing information; they also share some of the ultimate goals for research, such as assessing the implications of the informal sector on revenue collections. In these type of exchanges, CSOs can get valuable insights from the revenue authority for their research and advocacy work. In Kenya, the National Tax Payers Association shares the preliminary findings of its research with government officials, so they can provide comments while the research is being undertaken, as opposed to only when it's concluded.

In Kenya, CSOs have also benefited from training activities provided by the Kenyan Revenue Authority. As tax work requires technical expertise, this partnership with tax officials has led to the training of CSO trainers as well as to enhanced tax literacy. They have also found that officials are more likely to devote time to CSOs in the areas that they themselves are wanting to engage in, such as on tobacco excise duties in Kenya. As such, another common goal of cooperation relates to civil society capacity building. ICEFI has frequently worked along with government officials in training civil society organizations on fiscal issues. In some countries in which they work, such as Costa Rica, their advocacy strategy includes having meetings with decision makers. In other countries, such as in El Salvador and Honduras, ICEFI is frequently invited to conversations at the decision-making level with the possibility of proposing changes based on comparative and evidence research. In Guatemala, where the ICEFI is based, this is taken further by it also being able to participate in legislative work by providing comments opposing regressive initiatives, while promoting progressive ones.

In summation, CSO engagements with officials typically yield the greatest benefits when mutually beneficial relationships built on trust are formed, that is when government officials appreciate that CSOs can assist them in reaching their goals, not only by providing them with alternative research

and options but also by facilitating their interactions with members of society thereby assisting them in identifying user needs, working with them to develop tailored solutions and consequently in expressing viewpoints publicly thereby fostering societal buy-in and compliance to the reforms adopted. These relationships are greatly facilitated when both parties have the same developmental goals, and work together to best achieve them. In order to assist governments through beneficial engagements, CSOs however need to have access to quality information that is understandable. Government can assist CSOs in this regard by providing the information in an easily digestible manner on the one hand, and by increasing CSO capacity by amongst others providing them with training opportunities, including training given by government officials themselves. This not only builds capacity but also assists in the development and maintenance of relationships. It is key however that relationships are formed between the institutions themselves and that a culture of collaboration is developed, such that these relationships are not dependent on the presence of particular officials that will not be in institutions indefinitely.

Access to, and the establishment of mutually beneficial relationships, with external and independent stakeholders

Just as the relationship between CSOs and government officials is key for the fostering on positive engagements on tax reform, the relationships between CSOs and independent stakeholders outside of government also plays an important role. Independent stakeholders, include among others, parliament, supreme audit institutions, academia, experts, the media, international organizations, donors and importantly other CSOs. These independent stakeholders, like CSOs, have an interest in the tax reform agenda typically centered on the development goals of countries, on tax transparency and consequently on holding governments accountable for their performance in this regard. As such, CSOs having access to these stakeholders and the development of mutually beneficial relationships can be greatly beneficial to all parties as scarce resources in the tax reform arena can be brought together to efficiently achieve common goals. This includes CSOs forming coalitions among themselves to best utilize the resources available to them as a collective. Some of these institutions, including parliaments and supreme audit institutions, are formally tasked with overseeing governments and as such the information provided to them by CSOs can assist them in fulfilling this task, while at the same time CSOs benefit from the increased governmental accountability flowing from this. It is however key that these institutions are truly independent from governments, not within their control, such that governments are held accountable for their performance.

Preliminary conclusions

From the discussions above, it can be deduced that CSOs are increasingly paying more attention to the tax reform agenda as an area of work that is critical for the achievement of development goals. In doing so, CSOs require access to relevant information within political environments that foster dialogue and debate, where development goals are clear and benefit vulnerable members of society. Tax administration information in this regard needs to be well specified, such that governments can be held accountable for their performance. Oversight institutions need to be independent and use this information to foster government accountability. CSOs play a key role in this ecosystem, through mutually beneficial relationships with governments and other key independent stakeholders, advocating for favorable tax reforms.

CSOs however face considerable challenges in this regard. The availability of quality information on the tax system is generally limited. Just as we observed for many years on the expenditure side of the fiscal equation, governments are publishing tax information without speaking to the users' of the information or taking their needs into account. Relevant information is crucial for a government and its tax authority to be properly held to account for their management of the tax system. There seems to be a need to frame and systematize the approach on tax transparency: a global framework on what tax transparency means and how to operationalize it, would be useful to help authorities in providing the relevant information, while simultaneously addressing information users' needs.

CSOs generally lack the resources, including funding, capacity and skills to engage with complex highly technical information. Further political environments may be shrouded in secrecy and not open to engagement on tax matters.

Overcoming these challenges is key to reaching developmental goals. Numerous experiences show that cooperation between CSOs, government authorities and other independent stakeholders can be productive and mutually beneficial. CSOs can greatly assist governments; being reliable allies for tax authorities and decision makers in pushing and reaping the benefits from progressive tax reform agendas. CSOs can be a resource in the quest for more transparent and accountable tax systems, just as they have been allies in opposing regressive tax reforms. CSOs can be reliable stakeholders supporting, advocating and pushing for tax reforms. In appropriate settings, CSOs and tax authorities can work well together towards common tax reform objectives.

The experiences shared by some of the CSOs demonstrates that there are areas where building trust and cooperative relationships are possible. Disclosing revenue information in adequate anonymized formats can support the production of studies that favor the understanding of the fiscal context and stress the need for domestic revenue mobilization, without compromising privacy considerations. Training CSOs on tax issues can also favor a deeper understanding of issues, thereby elevating the quality of public discussions on tax. Cooperation can also support initiatives that seek common objectives, such as strengthening the culture of tax compliance, discussions and/or the promotion of tax reforms. Regardless, it is important that there are adequate spaces for technical discussions conducive to dialogue, based on mutual trust, within a political favorable environment.

Annex 1

Approach & Methodology

(by Paolo de Renzio & Fariya Mohiuddin, IBP)

This scan on civil society organizations work on tax issues around the world sought to address both breadth and depth in its findings. We therefore structured our work in three stages, which covered three different levels of engagement with the work of civil society groups.

The first stage consisted of a broad global search for names of CSOs working on domestic taxation issues. For this, we initially relied on IBP's own network of civil society partners. Through its various programs and initiatives, IBP collaborates and is in regular touch with a large number of CSOs across the world working on budget issues. The Open Budget Survey, for example, has partners in 120 countries, although clearly only a subset of those also work on taxes. Also, a few years back IBP's Training, Technical Assistance and Networking (TTAN) team carried out a survey of some of our closer partners to ask about their work on tax. We also drew on a number of contacts and networks, including other international NGOs. We spoke to colleagues at Oxfam, Action Aid, Christian Aid and the Global Alliance for Tax Justice, for example, to see which groups they knew and worked with who were active on domestic taxation issues.

These searches generated about 180 entries in our purpose-built database. We then checked the websites of each of these organizations to look for actual evidence of recent work on domestic taxation (reports, briefs, campaigns, blogs, dedicated staff, etc.), and our final sample was reduced to 171 organizations across 66 countries. From the websites, we also tried to gather information to get a sense of what each organization did, assessing what types of work they were engaged in, on what types of taxes (both domestic and international), if they were part of any international networks, and the main publications on tax from recent years.

Clearly, this approach has some limitations. First of all, we focused our search mostly on developing countries, and therefore have more limited coverage of groups in OECD countries, although we did include a number that we were familiar with, or that others indicated as relevant. Second, we may have failed to include a number of organizations, either because they do not belong to any international networks, or because their tax work does not feature clearly on their website. Third, the way in which the organization was classified in our database was partially based on the subjective judgement of the researcher looking at each website. In overall terms, however, we think that we have pulled together quite a comprehensive and accurate general overview of civil society groups working on domestic tax issues across the world. The database is of course intended to be a live document, which we aim to update on a regular basis.

In the second stage of our work, we designed an online survey to get civil society groups to send us more detailed information on their tax work, covering for example the origins and motivations of this kind of work, how it fits with other work the organization does, what specific domestic and international tax issues the group has been working on, what are the main constraints it faces, and how it ranks government efforts to make tax information public.

We then selected a group of organizations from the general database through a combination of previous knowledge of the organization's work—including from the broad scan—and

recommendations from various partners. We sent out 49 invitations to fill in the online survey (in English, Spanish and French) and got 41 responses back.

In most cases, responses were quite detailed and comprehensive. Some of the quantitative questions on tax transparency, asking groups to assess access to tax information based on a series of criteria were of difficult interpretation and of dubious comparability, which led us—unfortunately—to mostly ignore them in this paper.

The third and final stage consisted of in-depth 60-90 minutes interviews with 19 civil society groups, selected based on their overall profile in tax work, and building on their responses to the online survey. The interview probed deeper into a set of key issues, trying to better understand their approach, their activities and the constraints that they face in their tax work.

These various and complementary methods allowed us to gather a large amount of data, part of which was presented in this working paper.